United Nations DP/CCF/GUA/2

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
3 August 2001

Original: English

Second regular session, 2001
10-14 September 2001, New York
Item 5 of the provisional agenda
Country cooperation frameworks and related matters

Second country cooperation framework for Guatemala (2001-2004)

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INTRODUCTION

1. The second country cooperation for Guatemala was prepared using inputs from the Government, in the context of the CCF itself, the elaboration of strategic results framework (SRF) and the country review mission that was carried out May 2000. Other consultations with governmental partners and United Nations system agencies also took place within the overall context of the preparation of the United Nations Development Assistance Framework (UNDAF) for Guatemala.

I. Development situation from a sustainable human development perspective

2. Four years after the signing of the final agreements, the peace process in Guatemala is still a work in progress. The political miracle achieved by the Guatemalan people in 1997, when over three decades of internal conflict were brought to an end, must now be joined by a second miracle. This second miracle is perhaps more ambitious but equally necessary: it must reverse centuries of economic, social and cultural exclusion and create the basis for a more inclusive, more sustainable model for development and insertion into the global economy.

3. According to the *2000 National Human Development Report* (NHDR), over one half of all Guatemalans still live in poverty, and over one quarter in extreme poverty. Despite its relatively high per capita income, social indicators remain the poorest in the sub-region, with 67 per cent of the population without access to water, and with one third of its population under 15 years of age never having entered a school. While 61 per cent of urban residents have access to productive land, this is true of only 49 per cent of rural dwellers. Both the NHDR and the United Nations Common Country Assessment (CCA) point to three primary sources of exclusion in Guatemala. These are economic (lack of participation in the economic system), political-juridical (lack of representation and participation) and social (which includes both ethnic and gender dimensions). A more detailed analysis is available from the NHDR web-site http://www.onu.org.gt/indh2000 and from the Guatemala CCA at http://www.dgo.org

4. The peace agenda still represents the best framework for dealing with these historical sources of exclusion. But at the beginning of a new millennium, despite the efforts of many, the peace process remains fragile. Progress in some areas of the accords is accompanied by sharp reversals in others. The scenario of the "Zigzag of the Beetle", as foreseen in 1998 by the distinguished members of the UNDP dialogue project "Vision Guatemala" is both plausible and avoidable (for more information on Vision Guatemala see http://www.citel.com.gt/visionguate/). The UNDAF 2001-2004 reflects the commitment of the United Nations to accompany those Guatemalans who seek to remove the barriers that four years after the signing of the Peace Accords still divide its people, rich from poor, ladino from indigenous, urban from rural, man from woman. In turn, the second CCF is a firm demonstration of the UNDP belief in the scenario of "the Flight of the Firefly", that is, in a more tolerant, participatory, inclusive, multi-ethnic country, where all can participate in the generation and enjoyment of its many benefits.

II. Results and lessons of past cooperation

5. Much has been written about the peace-building experience of UNDP in Guatemala over the past few years. An independent Country Review declared the UNDP programme "an effective model for United Nations involvement in post-conflict transition countries"[1]. Many of the approaches now appearing in

[1] A summary of the Country Review is available at http://www.undp.org/execbrd/pdf/crrgua.PDF

the guidelines and procedures for United Nations work in conflict prevention, peace-building, and development were originally piloted in Guatemala, for example:

(a) The adoption of a human rights approach and support to democratic governance as overall guiding principles;

(b) Investment in the provision of high-quality policy advice on peace-related matters;

(c) Outreach to civil society and the private sector as key partners in the peace process;

(d) Playing a role of honest broker between sectors formerly in conflict;

(e) Strengthened coordination services to the United Nations system and to the international community as a whole, with a clear division of labour between UNDP and the United Nations Resident Coordination function.

6. As a natural result of its total reorientation towards providing support to the peace process, UNDP became involved in many of its most crucial aspects, including land issues, fiscal reform, indigenous rights and justice. This has led to a proliferation of distinct projects (over 100), which, in turn, has at times complicated the administration of resources. In the case of land issues, UNDP piloted a flexible, country-led program approach that should be expanded to other sectors during the new cycle. The Country Review also recommended greater decentralization of the national execution (NEX) modality, which, to date, has been undertaken with a high degree of direct support from the UNDP country office. The Review also proposes that the SRF (the central feature of the UNDP results-based management system) should be more fully adopted as a tool for monitoring and evaluating strategic results.

7. With respect to support to the United Nations system, both the Country Review and the UNDAF recognize the key role played by UNDP as facilitator of the Resident Coordination function. UNDP has assigned significant financial resources for joint analysis, planning, training and, recently, for programme formulation. It has also assigned significant human resources to support the management of the United Nations Country Team process and its related network of thematic working groups. The functioning of these inter-agency working groups has been uneven and they need to be restructured and provided with clearer objectives and made more closely linked to the decision-making processes of the United Nations Country Team.

III. Objectives, programme areas and expected results

8. The second CCF shares its overall objective with the UNDAF for 2001-2004[2]:

To support the full implementation of the Peace Accords and reduce social exclusion

9. Subsequent to the revision of the timetable for implementation, the United Nations and the international community as a whole have been asked to sustain their accompaniment of the peace process for a further four years at least. The table below explains the relationship between the priority areas of support to the implementation of the remaining agreements within the Peace Accords, as defined by the United Nations Country Team, and the corporate goals of UNDP, sub-goals and strategic areas of support. The table also links these goals with the UNDP SRF, which includes 18 strategic outcomes to be derived from UNDP cooperation in Guatemala during the period 2001-2004, in partnership with the Government and other stakeholders. For specific outputs and resource allocations to different programmes, please refer to the SRF and the results-oriented annual report web-site http://stone.undp.org/undpweb/rbmsgat/main.cfm

[2] The complete UNDAF document is available from http://www.dgo.org

The relationship between the priority areas of support to the implementation of the remaining agreements within the Peace Accords

UNDAF priority areas	UNDP corporate goals	UNDP corporate sub-goals	UNDP strategic areas of support	UNDP-Guatemala strategic outcomes	UNDP-Guatemala selected outcome indicators
Eliminate the system of cultural discrimination and promote equitable development	Governance	Dialogue that widens development choices	Policy dialogue	1. Increased use by decision-makers of sustainable human development concepts in policy formulation and implementation	Sustainable human development concepts and issues reflected in government policies and statements
	Special development situations	Conflict prevention and peace-building	Peace-building	2. The peace process consolidated and incorporated fully into the national agenda	Percentage of implementation of remaining commitments, in accordance with revised timetable
	United Nations support	Global conference goals	Global agenda for development	3. A better coordinated and strengthened United Nations system, focusing its efforts towards full implementation of the Peace Accords and human development	Use of the United Nations Development Framework as basis for the formulation of joint United Nations programmes
	Poverty	National poverty frameworks	Poverty reduction strategies	4. National anti-poverty strategy developed and implemented through a consultative process	A strategic framework that incorporates a comprehensive approach to poverty reduction
			Monitoring poverty	5. Improved national capacity to monitor human and income poverty and inequality	Training programmes established
		Access to assets	Basic social services	6. The national policy framework reformed with goal of universal access to basic services	Percentage of change in primary school coverage
					Percentage of change in access to health care

The relationship between the priority areas of support to the implementation of the remaining agreements within the Peace Accords (continued)

	Gender	Gender equality	Policy dialogue	7. National machinery in place for policy and strategy formulation dealing with the advancement of women and with gender equality	Fully funded institutions and fora for policy dialogue, and the formulation and implementation of policies related to gender issues, women and indigenous women
			Tools and methods for tracking changes in the condition of women	8. Improved quality of decision-making based on gender assessments and integration of statistics and data on gender issues	National baseline studies and regularly updated data on gender issues available, desegregated by sex
Overcome the inequitable distribution and external vulnerability of the economic model	Governance	Public sector	Civil service account-ability	9. Improved efficiency and equity in the delivery of public services	Creation of an independent governmental tax revenue entity
	Poverty	Access to assets	Productive resources and assets	10. Regulatory frameworks revised to provide the poor with secure user rights to productive assets and finance	Percentage of the population with land security and access to formal and informal financing mechanisms
	Environment	Environment and energy for livelihoods	Policy frameworks	11. A comprehensive approach to environmentally sustainable development integrated in national development planning and linked to poverty reduction	Adoption by the Government of a national strategy for sustainable development with national implementation targets
			Institutional framework	12. Improved capacity of national authorities to plan and implement integrated approaches to environmental management and energy development that respond to the needs of the poor.	Creation of a ministry of environment and its mandate defined for planning and monitoring sector strategies, plans and programmes

The relationship between the priority areas of support to the implementation of the remaining agreements within the Peace Accords (continued)

		Regional and global instruments for environmentally sustainable development that benefits the poor	Regional cooperation and coordination	13. Improved regional capacity to coordinate and harmonize national policies and programmes for management of shared natural resources and sustainable energy development under the Climate Change and Bio-Diversity Conventions	Pilot programmes in operation that demonstrate the benefits of multisector, subregional approaches to the management of biodiversity and shared resources
	Special development situations	Disaster Reduction	Capacity development	14. National disaster reduction and response system operational	Cooperation agreements and plans approved and both legal and strategic frameworks defined for a risk management system
		Conflict prevention and peace-building	Community recovery	15. Sustainable reintegration of populations affected by internal conflict	Percentage change in per capita income for target communities
Consolidate the rule of law within the democratic State and promote the modernization of the State	Governance	Key governance institutions	Justice	16. Fair and efficient administration of justice	Access to justice system facilitated by increasing the number of tribunals and the use of alternative dispute resolution system
		Local governance	Partnerships between local authorities and civil society organizations	17. Local authorities and communities in rural and urban areas involved in planning and management, including the provision of public services	A legislative framework for provision of public services by local governments
	Special development situations	Conflict prevention and peace-building	Peace-building	18. Community-level and national consensus reached and strategic alliances established for peace consolidation and sustainable human development	Agreements on measures and mechanisms to implement the commitments of the peace accords reached by multi-representative commissions; programmes and projects underway with the participation of communities, civil society organizations and the private sector

The UNDP partnership strategy

10. The creation of a solid network of relationships with key stakeholders is fundamental to the achievement of the above-mentioned outcomes. Outcomes, by definition, cannot be achieved by UNDP alone. Working closely with various partners can confer greater legitimacy to the results obtained. Moreover, collaboration helps to increase capacity for responding to the numerous demands that arise from complex development processes. Finally, joint action and coordination can increase the long-term impact of the efforts undertaken.

11. The key partners for UNDP-Guatemala include:

(a) First and foremost, its counterpart governmental institutions within relevant sectors;

(b) Bilateral agencies, chiefly those of the Governments of Denmark, Finland, Japan, the Netherlands, Norway, Sweden and the United States. (Thematic support by these donors is concentrated in goals 1,2 and 3 of the SRF. For specific resource allocation to different programmes, please refer to the SRF and results-oriented annual report web-site http://stone.undp.org/undpweb/rbmsgat/main.cfm);

(c) Multilateral financial institutions, the World Bank and the Inter-American Development Bank. (Thematic support by these organizations is concentrated in goals 1 and 2 of the SRF. For specific resource allocation to different programmes, please refer to SRF and results-oriented web-site http://stone.undp.org/undpweb/rbmsgat/main.cfm);

(d) United Nations programmes, funds and agencies;

(e) Civil society organizations and the private sector.

12. At the mid-point of their implementation, the Peace Accords must remain the common agenda for the United Nations system, the donor community, the Government of Guatemala and civil society. As the Accords leave much room for negotiating the details of their implementation, UNDP should maintain its role as honest broker, keeping a low but strategic profile. UNDP must continue to help to define the common ground between the different priorities of the Government, civil society and the international community. UNDP-Guatemala should seek to bring together key partners in order to engage in discussions on key issues and build consensus around potential lines of action. At the same time, UNDP should continue to help the Government to translate key opportunities and identified priorities into concrete project proposals and to manage their timely and effective implementation.

IV. Management arrangements

13. UNDP will maintain its current management structure, which is built around the four thematic components of the Peace Agenda. Operations are currently being re-profiled and streamlined in order to increase efficiency and better serve its clients in three broad management areas: (a) policy advisory services; (b) development effective services; and (c) support to the United Nations and the Resident Coordination function.

14. With respect to policy advisory services, UNDP will continue to channel a significant proportion of its own limited target for resource assignment from the core resources and non-core income into the provision of the best available local and international experts on the issues related to the unfinished elements of the Peace Agenda. At the same time, UNDP will also retain and improve its ability to assist with the administration of large cost-sharing programmes that contribute directly to the goals of the peace process and build credibility by helping to speed up the provision of concrete

benefits from peace to the general population. Moreover, UNDP will focus on helping to build the national capacities needed to manage these large development programmes in the future, through more intensive training, simplified and pragmatic approaches to the different execution modalities, and the design of clear exit strategies, while constraining the proliferation of individual projects whenever possible.

15. Rapid response, objectivity, quality, maximum flexibility and creative approaches to problem-solving will serve as the guiding principles for the provision of high-quality, timely and objective advice and support services. UNDP should continue to develop new and more efficient delivery mechanisms for its development partners, combining the best that current execution modalities can offer. The work of peace-building in a still fragile post-war situation cannot achieve success without constant commitment to providing informed choices in a timely fashion. Access to a small but readily available additional source of funds for short-term emergency peace-building activities would be advisable.

16. With respect to support to the United Nations, perhaps the greatest challenge for the coming cycle will be the successful transfer of responsibilities from the United Nations Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala to UNDP and other United Nations partners. This will require an additional investment in staff to ensure adequate coordination and monitoring during and after the transition. UNDP will also continue to seek cost-savings through the increased and more efficient use of United Nations common services, including the establishment of a United Nations House.

17. On the issue of monitoring and evaluation, UNDP will take full advantage of its shift to results-based management to undertake regular external evaluations linked to strategic outcomes and the UNDAF priority areas, together with its key partners.

Annex

Resource mobilization target table for Guatemala (2001-2004)

Source	*Amount (In thousands of United States dollars)*	*Comments*
UNDP regular resources		
Estimated carry-over into 2001	510	Indicate carry-over of TRAC 1 and TRAC 2
TRAC 1.1.1	735	Assigned immediately to country
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
TRAC 1.1.3	344	
SPPD/STS	43	
Subtotal	**1 631**[a]	
UNDP other resources		
Government cost-sharing	32 254	
Sustainable development funds		
1G = GEF	714	
Third party cost-sharing	111 657	
Funds, trust funds and other	4 900	
of which:		
4K = TF for uprooted populations	1 412	
7L = TF for SPAIN	98	
7U = TF for technical assistance activities	50	
Subtotal	**146 185**[a]	
Grand total	**147 817**	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.